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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Research Service
Production Economics Research Branch
Washington 25, D. C.

May 1954

FARM-MORTGAGE DEBT INCREASES IN 1953

Total farm-mortgage debt on January 1, 1954, is estimated at \$7,660 million, the highest since January 1, 1934, but about 29 percent below the peak of \$10,786 million in 1923 (fig. 1). This was the eighth consecutive year in which farm-mortgage debt increased; at the end of the year it was about 7 percent above a year earlier (table 1).

Increases in farm-mortgage debt during 1953 are associated with several factors. Although farm transfers during 1953 were below those of a year earlier, the proportion of farm sales financed by credit increased during the year, and credit represented a larger proportion of the selling price than in other recent years. Principal repayments during 1953 were probably below those of a year earlier. In addition, refinancing of non-real-estate debt with real estate mortgages apparently increased somewhat. More than 14 percent of the loan proceeds of limited samples of Federal land-bank loans closed in 1953 were for the purpose of refinancing non-real-estate debt compared with 12 percent a year earlier.

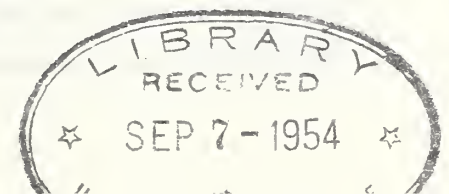
All active lenders increased their farm-mortgage holdings during 1953. The increase for life insurance companies and Federal land banks was 11 and 9 percent, respectively, whereas the increase for the Farmers Home Administration was 4 percent, for all operating banks 2 percent, and for individuals and miscellaneous lenders 7 percent.

The proportions of total farm-mortgage debt held by life insurance companies and Federal land banks at the end of 1953 were above those of a year earlier, although the percentages held by all other lenders were lower than at the beginning of 1953.

During 1953, farm-mortgage debt increased in all States and regions (tables 2 and 3). On a regional basis, the Mountain States showed the highest rate of increase during the year, with 12 percent, and the West North Central States the lowest rate, with 4 percent. For Federal land banks, increases during 1953 were reported in 47 States, and life insurance companies reported increases in 44 States. The Farmers Home Administration reported decreases during 1953 in 9 States, and all operating banks had decreases in 10 States.

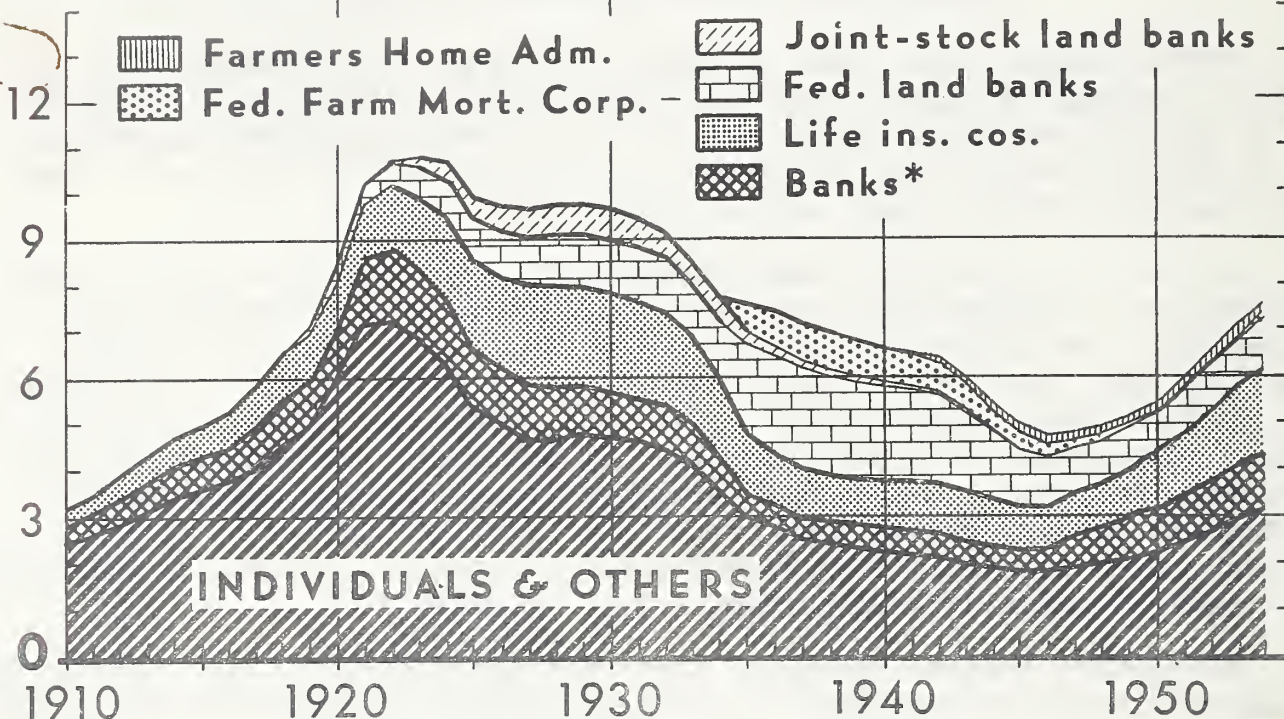
The increase in farm-mortgage holdings of life insurance companies represented about 36 percent of the total increase during 1953, that of individuals and miscellaneous lenders about 39 percent, Federal land banks 19 percent, and all operating banks 5 percent.

Reports from the Farm Credit Administration indicate that the dollar amount of farm-mortgage recordings in 1953 was about 4 percent above 1952. Increases of about 14 percent each for Federal land banks and life insurance companies, and an increase of about 10 percent for miscellaneous lenders more than offset a 5-percent decline for individual lenders. Essentially no change was reported for commercial and savings banks.



FARM MORTGAGE DEBT HELD BY MAJOR LENDERS

BIL. DOLLARS



* 1910-34, OPEN STATE AND NATIONAL BANKS; 1935-47, INSURED COMMERCIAL BANKS; 1948-53, ALL OPERATING BANKS.

U. S. DEPARTMENT OF AGRICULTURE

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AGRICULTURAL RESEARCH SERVICE

Table 1.- Farm-mortgage debt: Total outstanding and loans held by principal lenders, United States, 1940-54 ^{1/}

Beginning of year	Total farm-mortgage debt	Loans held by principal lenders							
		Federal land banks ^{2/}	Federal Farm Mortgage Corporation ^{2/ 3/}	Joint-stock land banks ^{2/ 4/}	Farmers Home Administration ^{5/}	Life insurance companies ^{6/}	Banks ^{7/}	Three State credit agencies ^{2/ 8/}	Individuals and others
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1940-----	6,586,399	2,009,820	713,290	91,726	31,927	984,290	534,170	30,294	2,190,882
1941-----	6,493,527	1,957,184	685,149	73,455	65,294	1,016,479	543,408	29,317	2,123,241
1942-----	6,376,080	1,880,784	634,885	55,919	114,533	1,063,166	535,212	30,406	2,061,175
1943-----	5,956,458	1,718,240	543,895	37,015	157,463	1,042,939	476,676	28,794	1,951,436
1944-----	5,395,671	1,452,886	429,751	10,097	171,763	986,661	448,433	24,082	1,871,998
1945-----	4,940,915	1,209,676	347,307	5,455	193,377	938,275	449,582	19,872	1,777,371
1946-----	4,760,464	1,078,952	239,365	3,208	181,861	891,263	507,298	9/	1,858,517
1947-----	4,896,970	976,748	146,621	1,641	189,300	888,665	683,229	9/	2,010,766
1948-----	5,064,245	888,933	107,066	645	195,059	959,715	840,647	9/	2,072,170
1949-----	5,288,331	868,156	77,920	462	188,893	1,036,383	900,843	2/	2,215,674
1950-----	5,579,278	906,077	58,650	270	188,855	1,172,326	937,144	2/	2,315,956
1951-----	6,071,345	947,431	44,008	0	214,047	1,355,766	1,008,359	2/	2,501,734
1952-----	6,588,270	994,128	32,778	0	233,374	1,541,041	1,046,923	2/	2,740,026
1953-----	7,154,038	1,071,358	23,899	0	257,936	1,715,164	1,105,096	2/	2,980,585
1954-----	11/7,659,691	1,169,418	17,628	0	268,060	11/1,896,148	12/1,131,214	2/	11/3,177,223

^{1/} Excludes Territories and possessions.

^{2/} Includes regular mortgages, purchase-money mortgages, and sales contracts. Mortgages in process of foreclosure were estimated for 1951 and 1952.

^{3/} Loans held by Corporation were made on its behalf by Land Bank Commissioner. Authority to make new loans, except incidental to liquidation, expired July 1, 1947.

^{4/} Joint-stock land banks have been in liquidation since May 12, 1933. Includes banks in receivership.

^{5/} Data for 1940-41 include only tenant-purchase loans. Thereafter, data include, in addition to tenant-purchase loans, farm-development (special real estate) loans beginning 1942; farm-enlargement loans beginning 1944; project-liquidation loans beginning 1945; and farm-housing loans beginning July 1950. Data also include loans for these purposes from State Corporation trust funds.

^{6/} Estimates based upon direct reports from life insurance companies, official reports submitted to State insurance commissioners, "Best's Life Insurance Reports," and monthly data from Life Insurance Association of America and Institute of Life Insurance. Includes regular mortgages, purchase-money mortgages, and unpaid principal sales contracts.

^{7/} 1940-47 includes insured commercial banks; 1948 to date, all operating banks.

^{8/} Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. Rural Credit Board completed liquidation during 1945.

^{9/} Included with "others," except beginning January 1, 1948, farm-mortgage loans of Bank of North Dakota are included with all operating banks.

^{10/} Revised.

^{11/} Preliminary.

^{12/} Includes \$3,600,000 of farm-mortgage loans formerly not reported or not classified as farm-mortgage loans.

Table 2.- Farm-mortgage debt: Total outstanding and amounts held by principal lender groups, by States, January 1, 1953

State and division	Total	Amounts held by principal lender groups					
		Federal land banks 1/	Federal Farm Mortgage Corporation 1/	Farmers Home Admin- istration 2/	Life insur- ance com- panies 1/	Others 3/	All operating banks 4/
		1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	22,578	2,801	199	1,588	438	17,552	5,306
New Hampshire-----	21,460	1,754	60	182	5	19,459	2,724
Vermont-----	38,323	6,791	110	762	1,050	29,610	16,042
Massachusetts-----	47,145	6,068	307	505	720	39,545	11,921
Rhode Island-----	4,992	757	47	34	34	4,120	2,456
Connecticut-----	34,374	4,565	262	324	1,657	27,566	7,983
New England-----	168,872	22,736	985	3,395	3,904	137,852	46,435
New York-----	204,296	29,023	865	2,946	12,920	158,542	5/ 42,223
New Jersey-----	73,121	8,094	442	2,038	12,525	50,022	9,457
Pennsylvania-----	172,453	14,259	247	4,358	7,145	146,444	56,079
Middle Atlantic-----	449,870	51,376	1,554	9,342	32,590	355,008	5/ 107,759
Ohio-----	289,400	22,985	188	4,551	38,343	223,333	88,875
Indiana-----	250,132	26,663	269	4,731	88,125	130,344	51,967
Illinois-----	315,773	62,575	520	3,797	115,485	133,396	42,439
Michigan-----	191,381	30,915	642	4,544	11,175	144,105	41,792
Wisconsin-----	326,519	39,764	1,756	5,184	19,384	260,421	60,838
East North Central-----	1,373,205	182,902	3,375	22,807	272,512	891,609	285,911
Minnesota-----	316,427	58,455	1,452	7,446	82,810	166,264	52,748
Iowa-----	520,937	94,134	642	6,163	230,683	189,315	60,486
Missouri-----	220,177	26,681	777	12,282	85,233	95,204	41,465
North Dakota-----	74,184	13,208	1,554	3,928	10,806	44,688	3,920
South Dakota-----	106,122	38,297	623	3,478	38,289	25,435	4,406
Nebraska-----	186,934	51,984	846	5,144	68,977	59,983	10,276
Kansas-----	183,428	36,644	479	6,497	67,120	72,688	19,403
West North Central-----	1,608,209	319,403	6,373	44,938	583,918	653,577	192,704
Delaware-----	11,304	865	17	221	266	9,935	8,448
Maryland 6/-----	70,706	5,359	116	1,828	4,691	58,712	20,511
Virginia-----	99,181	9,566	166	4,446	13,160	71,843	30,043
West Virginia-----	31,179	4,067	95	2,974	684	23,359	10,209
North Carolina-----	140,367	17,933	525	10,337	14,319	97,253	28,220
South Carolina-----	56,041	12,655	511	7,992	1,740	33,143	6,988
Georgia-----	133,109	19,923	620	14,704	16,955	80,907	24,582
Florida-----	113,478	10,859	542	3,705	33,270	65,102	9,767
South Atlantic-----	655,365	81,227	2,592	46,207	85,085	440,254	138,768
Kentucky-----	135,813	12,763	176	4,151	33,444	85,279	51,444
Tennessee-----	112,865	12,603	220	7,493	19,201	73,348	33,925
Alabama-----	101,613	23,675	337	13,825	6,779	56,997	16,039
Mississippi-----	136,021	23,096	351	19,879	34,987	57,708	17,607
East South Central-----	486,312	72,137	1,084	45,348	94,411	273,332	119,015
Arkansas-----	116,536	12,701	357	11,735	44,020	47,723	13,330
Louisiana-----	70,137	13,055	276	8,420	13,865	34,521	14,252
Oklahoma-----	164,670	23,428	434	12,429	56,572	71,807	11,245
Texas-----	532,160	112,244	2,079	20,179	220,168	177,490	32,076
West South Central-----	883,503	161,428	3,146	52,763	334,625	331,541	70,903
Montana-----	86,941	15,894	539	3,154	19,007	48,347	2,337
Idaho-----	108,068	22,187	450	5,670	28,090	51,671	3,675
Wyoming-----	53,911	8,833	170	2,435	21,267	21,206	1,654
Colorado-----	151,469	17,624	229	3,103	43,924	86,589	5,588
New Mexico-----	69,798	6,567	159	2,349	32,537	28,186	2,042
Arizona-----	49,806	4,914	163	1,122	12,718	30,889	2,291
Utah-----	52,449	7,399	271	3,996	5,608	35,175	7,925
Nevada-----	17,722	1,571	33	505	5,226	10,387	958
Mountain-----	590,164	84,989	2,014	22,334	169,377	312,450	26,470
Washington-----	150,766	18,276	403	3,944	22,519	105,624	15,227
Oregon-----	155,427	17,470	417	3,324	26,431	107,785	11,584
California-----	632,345	59,414	1,956	3,534	90,792	476,649	90,320
Pacific-----	938,538	95,160	2,776	10,802	139,742	690,058	117,131
United States-----	7,154,038	1,071,358	23,899	257,936	1,715,164	4,085,681	5/ 1,105,096

1/ Includes regular mortgages, purchase-money mortgages, and sales contracts. State distribution of loans in process of foreclosure estimated for Federal land banks and Federal Farm Mortgage Corporation.

2/ Includes tenant-purchase, farm-enlargement, farm-development, project-liquidation, farm-housing loans, and loans for these purposes from State Corporation trust funds.

3/ Estimated total loans held by all operating banks, individuals, and miscellaneous lenders. State estimates are approximate and should be used only as general indicators of the amount of mortgage debt held by this group.

4/ Includes national and State commercial, mutual and stock savings, and private banks. Mortgage loans held by banks are classified according to location of bank and, therefore, are not strictly comparable by States with mortgage loans for other lenders, which are classified according to location of security or borrower.

5/ Revised.

6/ Includes District of Columbia.

Table 3.- Farm-mortgage debt: Total outstanding and amounts held by principal lender groups, by States, January 1, 1954

State and division	Total 1/ 1,000 dollars	Amounts held by principal lender groups					
		Federal land banks 2/	Federal Farm Mortgage Corporation 2/	Farmers Home Admin- istration 3/	Life insur- ance com- panies 1/ 2/	Others 1/ 4/	All operating banks 5/
		1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	24,304	3,295	146	1,835	397	18,631	6/ 6,718
New Hampshire-----	23,568	1,795	46	222	6	21,499	7/ 3,978
Vermont-----	40,372	7,589	68	766	1,207	30,742	16,342
Massachusetts-----	47,488	6,134	193	497	605	40,059	9,540
Rhode Island-----	5,265	831	36	31	27	4,340	2,314
Connecticut-----	36,107	4,605	184	318	1,700	29,300	8,500
New England-----	177,104	24,249	673	3,669	3,942	144,571	47,392
New York-----	210,693	30,600	605	2,941	13,926	162,621	44,226
New Jersey-----	84,431	8,597	325	2,083	14,048	59,378	10,024
Pennsylvania-----	189,303	15,837	178	4,096	7,892	161,300	59,571
Middle Atlantic-----	484,427	55,034	1,108	9,120	35,866	383,299	113,821
Ohio-----	303,205	26,038	136	4,435	40,892	231,704	88,961
Indiana-----	261,598	29,279	185	4,757	93,424	133,953	52,273
Illinois-----	333,664	67,390	376	3,929	125,391	136,578	42,813
Michigan-----	201,356	34,729	470	4,623	11,931	149,603	42,092
Wisconsin-----	338,554	43,426	1,391	5,382	20,986	267,369	62,795
East North Central-----	1,438,377	200,862	2,558	23,126	292,624	919,207	288,934
Minnesota-----	323,819	64,039	1,099	7,459	88,311	162,911	52,954
Iowa-----	530,950	97,065	485	6,643	241,029	185,728	57,967
Missouri-----	233,604	28,814	564	12,430	92,204	99,592	43,712
North Dakota-----	78,398	16,544	1,213	4,329	10,417	45,895	8/ 5,783
South Dakota-----	112,660	41,693	467	3,823	40,610	25,067	4,452
Nebraska-----	195,691	54,782	649	5,263	74,576	60,421	9,796
Kansas-----	197,191	41,616	331	6,556	74,081	74,407	20,059
West North Central-----	1,672,313	344,753	4,808	46,503	621,228	655,021	194,723
Delaware-----	11,805	962	13	221	331	10,278	8,701
Maryland 9/-----	74,533	5,683	80	1,884	5,237	61,649	21,571
Virginia-----	106,752	10,355	129	4,553	15,643	76,072	32,663
West Virginia-----	32,649	4,288	73	3,265	755	24,268	10,338
North Carolina-----	156,046	19,744	396	11,284	18,239	106,383	30,436
South Carolina-----	62,158	14,153	383	8,339	3,304	35,979	7,589
Georgia-----	146,082	21,458	456	15,323	20,016	88,829	26,168
Florida-----	123,292	10,667	420	4,036	39,661	68,508	11,471
South Atlantic-----	713,317	87,310	1,950	48,905	103,186	471,956	148,937
Kentucky-----	145,211	13,690	116	4,638	37,900	88,867	52,354
Tennessee-----	118,987	13,554	156	7,809	20,915	76,553	34,679
Alabama-----	110,253	25,934	237	14,221	9,881	59,980	16,930
Mississippi-----	148,584	24,738	241	20,442	39,468	63,695	17,473
East South Central-----	523,035	77,916	750	47,110	108,164	289,095	121,436
Arkansas-----	126,451	13,247	272	11,733	50,664	50,535	13,576
Louisiana-----	76,339	13,651	201	8,624	16,159	37,704	16,155
Oklahoma-----	174,954	25,499	307	12,214	61,291	75,643	11,398
Texas-----	587,111	127,015	1,549	20,071	247,389	191,087	32,054
West South Central-----	964,855	179,412	2,329	52,642	375,503	354,969	73,183
Montana-----	96,316	17,979	390	3,282	22,063	52,602	2,645
Idaho-----	118,611	25,451	315	6,283	32,821	53,741	3,243
Wyoming-----	61,273	9,399	120	2,535	25,182	24,037	1,876
Colorado-----	169,616	19,517	136	3,275	52,412	94,276	5,849
New Mexico-----	77,721	7,341	115	2,806	35,983	31,476	2,505
Arizona-----	56,112	5,014	128	1,629	15,840	33,501	2,317
Utah-----	59,081	6,325	201	4,214	8,428	37,913	7,054
Nevada-----	19,829	1,692	24	526	6,585	11,002	832
Mountain-----	658,559	94,718	1,429	24,550	199,314	338,548	26,321
Washington-----	162,256	20,308	291	5,070	25,086	111,501	14,981
Oregon-----	166,580	19,292	327	3,403	29,752	113,806	11,040
California-----	598,868	65,564	1,405	3,962	101,483	526,454	90,446
Pacific-----	1,027,704	105,164	2,023	12,435	156,321	751,761	116,467
United States-----	7,659,691	1,169,418	17,628	268,060	1,896,148	4,308,437	1,131,214

1/ Preliminary.

2/ Includes regular mortgages, purchase-money mortgages, and sales contracts. State distribution of loans in process of foreclosure estimated for Federal land banks and Federal Farm Mortgage Corporation.

3/ Includes tenant-purchase, farm-enlargement, farm-development, project-liquidation loans, farm-housing loans, and loans for these purposes from State Corporation trust funds.

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5/ Includes national and State commercial, mutual and stock savings, and private banks. Mortgage loans held by banks are classified according to location of bank and, therefore, are not strictly comparable by States with mortgage loans for other lenders, which are classified according to location of security or borrower.

6/ Includes about \$1,000,000 not previously reported.

7/ Includes about \$1,200,000 not previously reported.

8/ Includes about \$1,400,000 previously reported as loans on residential properties.

9/ Includes District of Columbia.

